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TAGS: [PGOV](#) [PINR](#) [PREL](#) [ABLD](#) [KS](#) [KN](#)
SUBJECT: LEE MYUNG-BAK: QUALIFIED, READY AND IN FIRST PLACE

Classified By: Amb. Alexander Vershbow. Reasons 1.4 (b/d).

11. (C) Summary: Over a one-on-one lunch with the Ambassador on February 13, former Seoul Mayor and leading presidential contender Lee Myung-bak explained that voters in Korea wanted their next president to be, first and foremost, an effective leader, not focusing on regionalism, but on policies, especially the economy. In addition to propelling Korea to renewed economic growth through various projects including his cross-country canal project, Lee said he would also improve the Korea's foreign policy. Instead of creating policies toward the U.S. and Japan for local political reasons, Lee pledged he would "normalize" the U.S.-ROK relationship and improve the ROK-Japan relationship. Economic assistance for North Korea must have limits; high priority must be to encourage the North to open. Lee said that the recent smear campaign against him by other candidates (read Park Geun-hye) would likely backfire, because he had already shown that all rumors about him were groundless in past election campaigns. Lee confidently predicted that as the most qualified candidate, his popularity was not likely to falter anytime soon. End Summary

Source of Popularity?

12. (C) On February 13 former Seoul Mayor and presidential frontrunner Lee Myung-bak told the Ambassador that his high popularity (Note: Lee leads all other candidates by 25 points or more in all polls. End Note) was a result of a change in the Korean political atmosphere since 2002 when the demand for change propelled Roh Moo-hyun to the presidency. Voters now want an experienced, qualified leader. Lee said he polls first with even usual progressive stalwarts, voters in their 20s and 30s, as the young are increasingly concerned with employment and the economy. Further indication of the change in Korea was the high ratings he receives in the Southwest Jeolla provinces where historically GNP candidates did not receive above five percent support (Note: Lee receives up to 36 percent support in Jeolla provinces in some polls. End Note).

13. (C) Lee dismissed the thought that his support in the Jeolla Provinces would evaporate because, he claimed, this election the future of the economy would be more important than regionalism. Lee added that as former President Kim Dae-jung's influence has faded, regionalism has become a less important factor in the Southwest. Lee was confident he would continue to enjoy a high rate of support in the region

because no progressive candidates had a vision for the future.

Foreign Policy

14. (C) The Ambassador, noting that Lee's main appeal clearly came from his stance on the economy, asked whether Lee's foreign policy also contributed to his popularity. Lee responded that many believed President Roh Moo-hyun had failed to uphold ROK's international status and had been unsuccessful in managing the U.S.-ROK and Japan-ROK relationships. Roh had failed because he had used foreign policy for internal political reasons. Therefore, if he were elected, Lee would work to "normalize" relations with the U.S. and Japan. On U.S.-ROK relations, Lee said there was a split between the old, who supported the alliance unconditionally, and the young who wanted to redesign and modernize the alliance. The Ambassador explained that we had taken several steps to modernize the U.S.-ROK alliance in recent years, such as the agreement to transfer wartime operational control (OPCON), and to consolidate and move bases out of city centers. Therefore, the relationship was becoming naturally more balanced, the Ambassador emphasized.

15. (C) On Japan, Lee said that Japan was preoccupied with domestic politics, negatively affecting its ability to participate constructively in the Six Party Talks. Roh had failed several times to capitalize on opportunities to improve ROK-Japan relations; Lee would not make the same mistakes. Lee said the ROK should cooperate with the U.S. to help the PRC to think more constructively about the post-unification Peninsula. The Ambassador said that the PRC attitude toward the DPRK had changed since North Korea's October 9 nuclear test and that while the PRC still wanted to maintain the DPRK regime and maintain the North as a buffer, that could change. The ROK and U.S. together had to encourage the PRC to see the DPRK as more of a problem than an asset, and to understand the benefits of a united, democratic Korea.

16. (C) The ROK should continue to rely on the U.S. for security assistance, but Lee stated the ROK should invest more to modernize its army. Most Koreans believe the ROK has done a poor job maintaining the military relationship, Lee explained. While China and Russia had territorial claims on Korea, the U.S. had no such designs and was the most reliable alliance partner, Lee said. The Ambassador added that broader security cooperation in NE Asia and better coordination between the three democracies (U.S., Japan and Korea) could encourage China to act more responsibly in the region. Lee agreed and said the trilateral relationship between the U.S., ROK and Japan was key to maintaining peace and stability in NE Asia.

North Korea

17. (C) Lee said that aid to North Korea had to have limits and that the goal of any policy toward the North should be to steer the DPRK to open up its society to the international community. The sole focus of North Korea policy should not be on denuclearization, but also on opening North Korea. The goal was to create conditions in North Korea that would encourage Japanese and U.S. companies to invest there. Agreeing, the Ambassador noted that we should design assistance to North Korea in a way that created incentives for reform. The infusion of market economy principles could induce North Korea to reform.

Taiwan

18. (C) Lee asked what the future U.S. policy would be toward Taiwan. The Ambassador replied that the U.S. was committed to a one-China policy, and that unification of the PRC and Taiwan should occur only through peaceful means. Lee said that he was concerned that a China unified with Taiwan would be so powerful economically and diplomatically that it would

upset the balance of power in East Asia.

Presidential Campaign

19. (C) The Ambassador asked if the negative campaigning was getting out of control. Lee said that fellow GNP candidate Park Geun-hye's strategy was to make a last-ditch effort to close the gap in ratings (Lee received 49 percent support to Park's 21 percent in the latest February 13 Joongang Ilbo poll) before the Lunar New Year on February 18. Lee said that if the gap does not close significantly before the holidays, it would be difficult for Park to make up ground later. He added that Park's supporters had gone too far in their attacks on him and the attacks were likely to backfire. Lee declared that he was not concerned with any files or information that might come out.

110. (C) Lee said that Park's base of support (about 15 percent) was automatically transferred from her father's supporters and there were only another five percent of the voters who support her. Economically, the last 10 years have been difficult and people want a qualified leader who can create jobs and fix business-labor relations. In polls that ask who is the most qualified candidate, Park always comes in third or fourth. Lee said he was confident that the GNP would stay together and guaranteed he would not leave the party. While Sohn Hak-kyu (polling third behind Lee and Park with single digit support) may leave the GNP to head a new reformist party, Lee said this was unlikely and, in any case, it would not affect the party.

111. (C) Lee speculated that the progressives would likely break up into several parties with one party consisting of core Roh supporters. The Ambassador asked if a poll suggesting any progressive candidate would automatically get 35 percent support was correct; Lee said that 30 percent was probably more accurate. Lee concluded by saying that this year's election may focus be less on internal party conflict or regionalism and more on policies. This was why he had produced the "MB Doctrine" on foreign policy and proposed specific projects like the cross-country canal to give people concrete ideas of what he would do as president.

VERSHBOW